

# ***CITY COUNCIL***

## ***Finance, Audit & Budget Committee***

**Monday, March 18, 2012**

**5:00 pm**

**City Council Office**

The Budget and Finance Committee's responsibilities include Annual Budget Review, Capital Improvement Programs, Financial Reports, Taxes (Rates, exonerations and exemption appeals), Fee Assessments, Review of Budget & Financial Reports, oversight of the City's external auditing, internal controls and any other financial or business practices, and reviewing the work of the City Auditor.

**Committee Members:** Donna Reed (Chair), Randy Corcoran (Vice-Chair) and Dennis Sterner

*Although Council committee meetings are open to the public, public comment is not permitted at Council Committee meetings. However, citizens are encouraged to attend and observe the meetings. Comment from citizens or professionals during the meeting may be solicited on agenda topics via invitation by the Committee Chair.*

*All electronic recording devices must be at the entry door in all meeting rooms and offices, as per Bill No. 27-2012*

### **I. Review CSC and IT Monthly Report**

### **II. Legislative Review**

- None

### **III. Continue January Discussion**

- Create Defined Contribution Plan for new hires

### **IV. Continue February Discussion**

- Land Value Tax Next Steps
- Update Delinquent Fee Collection

### **V. Review Finance Reports**

- Income Statement YTD
- Income Statement Projection

- Review Expenditures/Revenues
- Cash Flow Projection
- Review Bank Statement Activity
- Review Transfers
- Contingency Account/Fund re beginning balance and YTD balance

#### **VI. Update from City Auditor re Internal Audits**

- Compliance-transfers
- Update on the status of all capital projects currently underway
- Select audits for 2013

#### **VII. Update - Collection Report for Delinquent Taxes and Misc Fines & Fees (RE01)**

#### **VIII. CD Report –**

- Spent vs. Unspent CDBG Funds & Un-programmed CDBG Funds
- UDAG Fund
  - 2009 Balance Sheet/Income Statement

#### **IX. Quarterly Review of 2013 Budget – M. Bembenick/C. Zale**

#### **X. Cost of EMS Services and EMS Transportation – D. Hollinger & J. Conrad**

#### **XI. Explore outsourcing EMS to other municipalities – D. Hollinger & J. Conrad**

#### **XII. BCTV / CDBG Funding**

## **FOLLOW UP ISSUES**

### **2013 Finance Committee Topics**

#### **January**

1. Library Tax Referendum
2. Library Tax Funding
3. Review and Amend Lease Agreements for City owned properties used by outside organizations
4. Create Defined Contribution Plan for new hires

#### **February**

1. Land Value Tax – Presentation from Josh Vincent scheduled for Feb Work Session
2. Quarterly Review of External Auditor Findings – Report from Audit Committee
3. Update Delinquent Fee Collection

#### **March**

1. Land Value Tax Discussion
2. Quarterly review of 2013 Budget
3. Cost of EMS Services and EMS Transportation
4. Explore outsourcing EMS to other municipalities

#### **April**

1. Asset Inventory
2. CIP Committee process

#### **May**

1. Street Light or Street Assessment
2. Review and assess use of City, and Authority funds to provide best benefit
3. Procurement Policy Update



# *CITY COUNCIL*

## *Finance Committee*

### **Meeting Report Tuesday, February 19, 2013**

**Committee Members Attending:** D. Reed, Chair; R. Corcoran, Vice Chair; D. Sterner, F. Acosta, J. Waltman

**Others Attending:** D. Cituk, C. Younger, C. Zale, L. Kelleher, M. Kantner, M. Bembenick, V. Spencer, H. Tangredi, F. Lachat, B. Rivera

Ms. Reed called the Finance Committee meeting to order at approximately 5:05 pm.

#### **I. REVIEW CSC AND IT MONTHLY REPORT**

- CSC Report

Ms. Kantner stated that there wasn't too much to report at this time as they are still wrapping up the Amnesty Program and collections. She asked if there were any questions for her.

Mr. Acosta asked about staffing.

Ms. Kantner responded that one staff member was moved from CSC but other than that, no problems of real concern to report on this.

Mr. Bembenick stated that he had spoken with the managing director about a long term project to digitize paper records which would eliminate the need to layoff two current staff members.

Ms. Kelleher asked if DocStar scanning would be used in digitizing these records.

Mr. Tangredi responded that only a portion would be digitized using the DocStar scanner.

Ms. Kelleher stated that for research purposes, DocStar would be most effective. Mr. Tangredi agreed.

Mr. Corcoran asked that if there would be issues in productivity with these two positions out of the CSC and working on digitizing records.

Ms. Kantner stated that if assistance would be needed, she would pull other professionals to help out; however, she does have concerns in keeping up with workloads if CSC loses two people.

Ms. Reed asked how many phone calls and walk-ins CSC receives on average.

Ms. Kantner responded that the CSC is continuously busy and it would be difficult to come up with a number off the top of her head. However, she stated that she does have statistics with those numbers and will remit them at the next meeting for council to review.

Mr. Acosta stated that he can attest that there haven't been near as many complaints involving the CSC clerks as there have been in the past. Ms. Kantner was pleased to hear that.

Mr. Corcoran also agreed with Mr. Acosta in that service in the CSC has been very good lately and commended Ms. Kantner for that.

- IT Report

Mr. Tangredi stated that two changes were made in the initial IT Report. The first change was related to responses and the other change was "charge outs" (support costs). The changes were in the percentages that were very slightly off and nothing of great concern.

Ms. Reed asked if there were any questions pertaining to the report and none were posed.

## **II. LEGISLATIVE REVIEW**

Ms. Reed noted that on the agenda there were none to be discussed.

Ms. Kelleher stated that a Procurement Policy Amendment is expected by the administration director.

Mr. Bembenick responded that it is currently being worked on and that he would let Ms. Kelleher know when it would be complete for presentation.

## **III. CONTINUE JANUARY DISCUSSION**

- Library Tax Referendum Question

Ms. Kelleher stated that only binding referendum questions can be on the ballot.

Mr. Acosta stated that he believes this should be discussed during a Committee of the Whole meeting rather than now as all councilors would be present.

Mr. Corcoran agreed and stated that he feels it should be an additional tax that is over and above the current figure.

Mr. Sterner also agreed with Mr. Corcoran.

Mr. Acosta suggested that this should be something to be discussed with the County as well.

Mr. Spencer stated that the city is responsible for the billings though other libraries can utilize our library. He feels that it certainly wouldn't hurt to go to the public and ask them what they would like to do about this issue. The city needs to have their input; however, that doesn't mean that we won't still need additional funding.

Mr. Sterner agreed in that this should be presented to the people in a referendum question. He also noted the importance of continuing this discussion during a COW meeting so all members of council can participate.

Mr. Cituk stated that he believes the County should "step up" and assist in this issue. He noted his frustration as this is, and has been a matter between the City and the County and should be looked at as a whole. He is frustrated because he feels the city doesn't get County cooperation.

Mr. Sterner stated that perhaps by the City putting a referendum question forward, the County might step up and meet us halfway.

Mr. Bembenick stated that Mr. Tangredi had a good suggestion about possibly making this a county-wide ballot issue.

Mr. Spencer responded that we must keep in mind that the state is funding the City's district library status which may be jeopardized by going county-wide.

Ms. Reed asked about the time frame involved in the referendum process.

Ms. Kelleher responded that the question must be submitted 60 days before the day of the election and that this would have to be introduced during this Monday's (Feb. 25) Council Meeting.

- Defined Benefit Contribution Plan for New Hires

Mr. Bembenick stated that this is something that has continuously been looked at and that there are some options available including the possibility of implementing an RFP.

Mr. Spencer stated that he doesn't feel the focus should solely be on this one pension as there are two other pensions to consider as well. It is vital to have MMO Pension reform. He questioned making adjustments to one third of the pensions?

Mr. Sterner stated that we have been talking about pensions for years and will continue talking about these pensions. He fears that if the police and fire pensions are not addressed soon, this will severely, negatively impact our city.

Ms. Goodman-Hinnershitz agreed with Mr. Sterner that if this isn't resolved soon, it will deplete us completely. We just don't have the funds to continue to pay these costly pension plans anymore and we need to take action now.

Mr. Corcoran agreed stating that inaction is not an option at this time. The time to do something is now.

Mr. Waltman agreed but stated that it would help us to change this legislatively first. Unfortunately, other municipalities have to be on the same page for that to occur and that is the difficulty in changing things legislatively. However, that is not to say that it cannot be done.

Ms. Reed asked that a plan by the auditor, legal team and Mr. Bembenick be devised to change things legislatively. She would like to see this on the agenda for the next committee meeting.

#### **IV. FEBRUARY DISCUSSION**

- Land Value Tax

Ms. Reed stated that this issue has been deferred to the Committee of the Whole.

- Auditor's Report

Mr. Cituk stated that he went over all the audit findings from last year and a synopsis was made off of those findings. He went on to read sections of the most recent Audit Committee's minutes. He stated that in regard to cash disbursement and segregation of duties, we are not buying a lot of high ticket items but unfortunately, the low ticket items do add up till the end of the month. Monthly meetings are currently taking place with department heads in an effort to curb spending.

- Micro Loans

Mr. Cituk stated that the resolutions authorizing the funding of the loan programs have been cleared up in 2012.

- Transfers/Compliance Transfers

Mr. Zale indicated that there have been additional transfers of \$400,000 from the General Fund to Liquid Fuels and a transfer to Solid Waste is also required. As far as the month is concerned, we are at \$3.2 million in revenue which translates to approximately 5% of our budget. Pertaining to our expenditures, as previously stated, we are at 5% (not including pension plans) and at about a \$400,000 deficit currently; he asked if there were any questions.

Mr. Waltman asked about recycling billing.

Mr. Bembenick stated that this is still presently being discussed as they are trying to decide where the commonalities are.

Mr. Spencer reminded everyone that trash and recycling billing was included in the 2013 Budget.

Ms Goodman-Hinnershitz agreed that we did budget for this but we will just have to see where this goes as we move ahead with it.

Mr. Spencer stated that the real question here should be why wasn't this clearly addressed during the budget process?

Mr. Cituk stated that he is currently working on the Compliance Transfers issue and will have numbers completed in the coming weeks for council's review. He will have the Fire escrow audit completed by next month.

Mr. Acosta stated that the need to address the RAWA issue is critical and that we cannot keep putting it off. He asked Ms. Kelleher to talk with the managing director regarding this matter and find a point of resolution on this.

Ms. Goodman-Hinnershitz suggested we reserve that issue for executive session.

Ms. Reed agreed and stated that we should move forward.

## **V. CD REPORT**

Ms. Reed stated that this would have to be deferred to next meeting as there was no representation from CD to address inquiries. She also stated that she mentioned the importance of having someone from CD at these meetings in past months. She cannot stress enough how essential it is for council to effectively do their job to have representation from CD present.

## **VI. LEGAL FEE EXPENSE**

Mr. Younger took time out to introduce Fred Lachat Esquire of the legal team.

Mr. Lachat stated that back in October when going over the budget for outside legal counsel, different options were being looked at. One option was re-negotiate with outside lawyers in an effort to keep their fees in line so we are not being billed for services that aren't rendered. The City is implementing guidelines in an effort to create a more cost-effective approach.

Mr. Acosta specifically highlighted a paragraph in the handout that had been distributed to Council regarding the guidelines Mr. Lachat was speaking of and asked who would be approving the exceptions to the guidelines set forth.

Mr. Lachat responded that our law office would be approving those guidelines and exceptions. He went on to explain more of that process.

Ms. Reed noted that the one thing that is not discussed in the handout is how contracts for legal services are approved.

Mr. Lachat agreed and stated that this will be presented to council.

Mr. Corcoran asked if contracts have already been approved without council's approval, and questioned if that has not become a trend.

Mr. Younger stated that all of this is preliminary and may need fine tuning; however, he stated that Mr. Lachat spent much time preparing this report and has done an exceptional job in completing it.



He should be commended for his accomplishments in doing so.

Ms. Reed agreed with Mr. Younger and thanked Mr. Lachat for his report as it was very comprehensive.

At this time, Ms. Reed adjourned the meeting. (7:05pm)

*Respectfully submitted by Bea Rivera, Legislative Aide*

**FOLLOW UP ITEMS:**

**March**

4. Quarterly Review of External Auditor Findings – Report from Audit Committee
5. Police and Fire Pension – plan/strategy involving auditor, legal team and administration to change the pension process legislatively
6. Update Delinquent Fee Collection
7. CD Report – Spent vs. Unspent CDBG Funds
8. New Collections – Amnesty Program Updates
9. Update on possible disbandment of the RAWA
10. Quarterly Review of 2013 Budget
11. Cost of EMS Services and EMS Transportation
12. Explore outsourcing EMS to other municipalities

**April**

3. Asset Inventory
4. CIP Committee process

**May**

4. Street Light or Street Assessment
5. Review and assess use of City, and Authority funds to provide best benefit
6. Report showing results of Threshold Plan with implementation of new guidelines

**City of Reading, PA**  
**General Fund Income Statement**  
**February 28, 2013**  
**(as of March 7, 2013)**

	2013 Budget	2013 Year to Date	% of Budget
<b><i>Revenues</i></b>			
Real Estate Taxes	20,606,517.00	487,204.75	2%
Earned Income Tax	16,271,686.00	1,171,198.74	7%
Act 511 Taxes	3,715,000.00	691,538.40	19%
Licenses, Permits & Fines	7,333,640.00	1,054,281.34	14%
Intergovernmental	8,755,377.00	744,661.60	9%
Charges for Services	6,240,506.00	947,018.11	15%
Interest and Rent	1,113,000.00	99,330.47	9%
Other	4,926,584.00	879,015.93	18%
	<hr/>		
<b><i>TOTAL REVENUES</i></b>	<b>\$ 68,962,310.00</b>	<b>\$ 6,074,249.34</b>	<b>9%</b>
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<b><i>Expenditures</i></b>			
Mayor	333,385.00	45,862.84	14%
City Council	312,564.00	39,293.69	13%
City Auditor	159,564.00	10,503.91	7%
Managing Director	415,050.00	45,278.35	11%
Finance	3,831,763.00	493,625.64	13%
Public Works	5,910,724.00	774,580.60	13%
Police	27,454,106.00	3,206,514.16	12%
Fire	14,579,782.00	1,906,686.98	13%
Community Development	3,824,574.00	408,409.01	11%
Human Resources	436,008.00	48,759.62	11%
Law	748,842.00	77,032.74	10%
Library	780,538.00	100,070.02	13%
Non-Departmental	2,459,088.00	186,419.74	8%
Board of Ethics	9,500.00	1,607.50	17%
Charter Board	47,500.00	-	0%

Human Relations Commission	219,259.00	13,881.98	6%
Debt Service-Principal	5,573,370.00	-	0%
Debt Service-Interest	7,200,709.00	263,887.69	4%
	\$	\$	
<b>TOTAL EXPENDITURES</b>	<b>74,296,326.00</b>	<b>7,622,414.47</b>	<b>10%</b>

Excess (Deficiency) of			
	\$	\$	
Funding Sources of Uses	(5,334,016.00)	(1,548,165.13)	

#### **OTHER FINANCING SOURCES (USES)**

Bond Proceeds	\$	-	\$	-	#DIV/0!
Bond Discounts		-		-	#DIV/0!
Payment to Escrow Agent,Bond Refunding		-		-	#DIV/0!
Transfers In	7,970,000.00		1,328,333.34		17%
Transfers Out	(2,635,984.00)		(439,330.66)		17%
	\$				
<b>TOTAL OTHER FINANCING SOURCES</b>	<b>5,334,016.00</b>		<b>889,002.68</b>		

#### **Excess of Revenues and other Financing Sources Over (Under) Expenditures and**

<b>Other Financing Uses</b>	\$	-	(659,162.45)
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**City of Reading, PA**  
**General Fund Income Statement**  
**February 28, 2013**

	2013 Budget <b>A</b>	2013 Year to Date <b>B</b>	% of Budget	2013 Remaining Budget <b>C</b>	% of Budget	2013 Remaining Projection <b>D</b>	% of Budget	2013 Projected <b>E</b>
<b>Revenues</b>								
Real Estate Taxes	20,606,517.00	487,204.75	2%	20,119,312.25	98%	20,075,312.45	97%	20,562,517.20
Earned Income Tax	16,271,686.00	1,171,198.74	7%	15,100,487.26	93%	15,100,487.26	93%	16,271,686.00
Act 511 Taxes	3,715,000.00	691,538.40	19%	3,023,461.60	81%	3,023,461.60	81%	3,715,000.00
Licenses, Permits & Fines	7,333,640.00	1,054,281.34	14%	6,279,358.66	86%	6,279,358.66	86%	7,333,640.00
Intergovernmental	8,755,377.00	744,661.60	9%	8,010,715.40	91%	8,010,715.40	91%	8,755,377.00
Charges for Services	6,240,506.00	947,018.11	15%	5,293,487.89	85%	5,293,487.89	85%	6,240,506.00
Interest and Rent	1,113,000.00	99,330.47	9%	1,013,669.53	91%	1,013,669.53	91%	1,113,000.00
Other	4,926,584.00	879,015.93	18%	4,047,568.07	82%	4,047,568.07	82%	4,926,584.00
	-							
<b>TOTAL REVENUES</b>	<b>\$ 68,962,310.00</b>	<b>\$ 6,074,249.34</b>	<b>9%</b>	<b>\$ 62,888,060.66</b>	<b>91%</b>	<b>\$ 62,844,060.86</b>	<b>91%</b>	<b>\$ 68,918,310.20</b>
<b>Expenditures</b>								
Mayor	333,385.00	45,862.84	14%	287,522.16	86%	287,522.16	86%	333,385.00
City Council	312,564.00	39,293.69	13%	273,270.31	87%	273,270.31	87%	312,564.00
City Auditor	159,564.00	10,503.91	7%	149,060.09	93%	149,060.09	93%	159,564.00
Managing Director	415,050.00	45,278.35	11%	369,771.65	89%	369,771.65	89%	415,050.00
Finance	3,831,763.00	493,625.64	13%	3,338,137.36	87%	3,338,137.36	87%	3,831,763.00
Public Works	5,910,724.00	774,580.60	13%	5,136,143.40	87%	5,136,143.40	87%	5,910,724.00

Police	27,454,106.00	3,206,514.16	12%	24,247,591.84	88%	24,247,591.84	88%	27,454,106.00
Fire	14,579,782.00	1,906,686.98	13%	12,673,095.02	87%	12,742,095.02	87%	14,648,782.00
Community Development	3,824,574.00	408,409.01	11%	3,416,164.99	89%	3,416,164.99	89%	3,824,574.00
Human Resources	436,008.00	48,759.62	11%	387,248.38	89%	387,248.38	89%	436,008.00
Law	748,842.00	77,032.74	10%	671,809.26	90%	871,809.26	116%	948,842.00
Library	780,538.00	100,070.02	13%	680,467.98	87%	680,467.98	87%	780,538.00
Non-Departmental	2,459,088.00	186,419.74	8%	2,272,668.26	92%	2,272,668.26	92%	2,459,088.00
Board of Ethics	9,500.00	1,607.50	17%	7,892.50	83%	7,892.50	83%	9,500.00
Charter Board	47,500.00	-	0%	47,500.00	100%	95,000.00	200%	95,000.00
Human Relations Commission	219,259.00	13,881.98	6%	205,377.02	94%	205,377.02	94%	219,259.00
Debt Service-Principal	5,573,370.00	-	0%	5,573,370.00	100%	5,573,370.00	100%	5,573,370.00
Debt Service - Interest	7,200,709.00	263,887.69	4%	6,936,821.31	96%	6,936,821.31	96%	7,200,709.00
	\$	\$		\$				\$
TOTAL EXPENDITURES	74,296,326.00	7,622,414.47	10%	66,673,911.53	90%	\$ 66,990,411.53	90%	74,612,826.00

Excess (Deficiency) of

Funding Sources of Uses	\$ (5,334,016.00)	\$ (1,548,165.13)		\$ (3,785,850.87)		\$ (4,146,350.67)		\$ (5,694,515.80)
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#### OTHER FINANCING SOURCES (USES)

Bond Proceeds	\$ -	\$ -		-		\$ -		-
Bond Discounts	-	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-
Payment to Escrow Agent,Bond Refunding	-	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-
Transfers In	7,970,000.00	1,328,333.34	17%	6,641,666.66	83%	6,641,666.66	83%	7,970,000.00
Transfers Out	(2,635,984.00)	(439,330.66)	17%	(2,196,653.34)	83%	(2,196,653.34)	83%	(2,635,984.00)
	\$							
TOTAL OTHER FINANCING SOURCES	5,334,016.00	889,002.68		4,445,013.32		4,445,013.32		5,334,016.00

**Excess of Revenues and other  
Financing  
Sources Over (Under) Expenditures and**

<b>Other Financing Uses</b>	\$	-	(659,162.45)	659,162.45	298,662.65	(360,499.80)
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With only two months completed (16.6% of the full year), many of the revenue and expenditures are forecasted to achieve budget. The following exceptions are included in the full year projection:

**Revenues:**

Real Estate tax lowered by \$44,000 based on CarTech's reduced property assessment. Upon receipt of the county's 2013 property tax duplicate this month, a revised real estate tax estimate will be determined.

For now, all other revenues are projected as planned. (A need exists to assign responsibility to each revenue line item.)

**Expenditures:**

Most of the expenses are projected as planned except the following:

Fire increased \$69,000 for salary not budgeted.

Law increased an estimated \$200,000 for unbudgeted, ongoing legal fees associated with Charter Board activities.

Charter Board doubled by an estimated \$47,500; reason same as aforementioned legal issue.

These exceptions would produce an estimated deficit of \$360,500. The use of budgeted contingency is not allowed because of unknown outcome of the post retirement medical review; therefore, a task exists to reduce expenses. Also, the impact of the potential SAFER grant for additional Fire personnel is not included in the projection.

Description		Current Year Budget	YTD Actual	Unexpended Balance	YTD Actual % of Budget
01-00-00-3009	Discount and Allowance	300,000.00	0.50	299,999.50	0.00%
01-00-00-3010	Property Tax Current	(19,706,517.00)	(333,141.64)	(19,373,375.36)	1.69%
01-00-00-3020	Property Tax Prior	(1,000,000.00)	(97,098.14)	(902,901.86)	9.71%
01-00-00-3021	Penalty & Interest	(200,000.00)	(56,965.47)	(143,034.53)	28.48%
<b>Total Real Estate Taxes</b>		<b>(20,606,517.00)</b>	<b>(487,204.75)</b>	<b>(20,119,312.25)</b>	<b>2.36%</b>
01-00-00-3140	Earned income Tax	(16,271,686.00)	0.00	(16,271,686.00)	0.00%
01-00-00-3150	Eit Prior Year		(1,171,198.74)	1,171,198.74	#DIV/0!
<b>Total Earned Income Taxes</b>		<b>(16,271,686.00)</b>	<b>(1,171,198.74)</b>	<b>(15,100,487.26)</b>	<b>7.20%</b>
01-00-00-3110	Per Capita Tax	(60,000.00)		(60,000.00)	0.00%
01-00-00-3111	Per Capita Tax Prior	(5,000.00)	(2,248.09)	(2,751.91)	44.96%
01-00-00-3120	Business Privilege Tax	(1,400,000.00)	(158,592.89)	(1,241,407.11)	11.33%
01-00-00-3121	Bus Priv Tax - Prior Year	(150,000.00)	(25,154.33)	(124,845.67)	16.77%
01-00-00-3130	Real Estate Transfer Tax	(1,900,000.00)	(405,893.67)	(1,494,106.33)	21.36%
01-00-00-3191	Occupation Tax - Prior Year	(200,000.00)	357.84	(200,357.84)	-0.18%
<b>Total Act 511 Taxes</b>		<b>(3,715,000.00)</b>	<b>(591,531.14)</b>	<b>(3,123,468.86)</b>	<b>15.92%</b>
01-00-00-3161	Curb & Sidewalk Permit	(5,000.00)	(370.00)	(4,630.00)	7.40%
01-00-00-3190	Occupation Tax	(1,000,000.00)	(100,007.26)	(899,992.74)	10.00%
01-00-00-3210	Food Permits	(141,360.00)	(123,103.00)	(18,257.00)	87.08%
01-00-00-3220	Electrical Permits	(100,053.00)	(6,740.50)	(93,312.50)	6.74%
01-00-00-3221	New Construction Permits	(596,000.00)	(30,174.25)	(565,825.75)	5.06%
01-00-00-3222	Demolition Permits	(20,000.00)	0	(20,000.00)	0.00%
01-00-00-3223	Remodeling Permits			(229,168.50)	5.24%



		(241,853.00)	(12,684.50)		
01-00-00-3226	Trades Licenses	(80,000.00)	(18,650.00)	(61,350.00)	23.31%
01-00-00-3227	Examination Fees	(21,966.00)	(1,225.00)	(20,741.00)	5.58%
01-00-00-3228	Commercial Parking Permits	(4,852.00)	(1,405.00)	(3,447.00)	28.96%
01-00-00-3230	Business Privilege License	(350,000.00)	(150,603.20)	(199,396.80)	43.03%
01-00-00-3250	Plumbing Permits	(137,211.00)	(22,022.50)	(115,188.50)	16.05%
01-00-00-3251	Heating Permits	(62,405.00)	(5,347.50)	(57,057.50)	8.57%
01-00-00-3260	Street Cuts	(100,000.00)	(34,266.00)	(65,734.00)	34.27%
01-00-00-3261	Pavements		(730.00)	730.00	#DIV/0!
01-00-00-3270	Zoning Fees	(198,204.00)	(22,475.00)	(175,729.00)	11.34%
01-00-00-3274	Dumpster Fees	(4,666.00)	(795.00)	(3,871.00)	17.04%
01-00-00-3275	Land Development Fees	(20,000.00)	(3,730.00)	(16,270.00)	18.65%
01-00-00-3276	Housing No Show Fee	(45,562.00)		(45,562.00)	0.00%
01-00-00-3278	Housing Prior Year	(508,437.00)		(508,437.00)	0.00%
01-00-00-3280	Housing/Rental Permit	(743,576.00)	(76,984.27)	(666,591.73)	10.35%
01-00-00-3282	Tax Administration Licenses	(12,000.00)	(6,105.01)	(5,894.99)	50.88%
01-00-00-3283	Franchise Fees	(725,000.00)	(178,948.48)	(546,051.52)	24.68%
01-00-00-3285	No Parking Signs Revenue	(800.00)		(800.00)	0.00%
01-00-00-3310	Traffic Fines Motor Codes	(325,000.00)	(72,575.00)	(252,425.00)	22.33%
01-00-00-3322	Quality of Life	(390,000.00)	(82,082.62)	(307,917.38)	21.05%
01-00-00-3330	District Court Summary offense	(825,000.00)	(147,381.27)	(677,618.73)	17.86%
01-00-00-3333	Fines and Penalties P.S.P.	(50,000.00)		(50,000.00)	0.00%
01-00-00-3334	Fines and Penalties County	(58,000.00)	(8,499.42)	(49,500.58)	14.65%
01-06-19-3214	Reimb-Collection Expense	(10,000.00)	(3,616.33)	(6,383.67)	36.16%
01-06-19-3631	School District Tax Services	(20,000.00)		(20,000.00)	0.00%
01-07-50-3653	Towing Revenue	(15,000.00)	(1,500.00)	(13,500.00)	10.00%

01-08-31-3633	Police Application Fee		(3,900.00)	3,900.00	#DIV/0!
01-09-32-3642	Fire Prevention Permits	(185,000.00)	(24,007.49)	(160,992.51)	12.98%
01-10-36-3003	Vacant for Sale Fees	(200.00)		(200.00)	0.00%
01-10-36-3004	Vacant for Rehab Fees	(68,682.00)	(5,663.00)	(63,019.00)	8.25%
01-10-36-3005	Vacant Code Compliant Fee	(800.00)		(800.00)	0.00%
01-10-36-3006	Vacant Second Residence Fee	(800.00)		(800.00)	0.00%
01-10-36-3281	Appeal Fees	(1,258.00)	(275.00)	(983.00)	21.86%
01-10-37-3201	Zoning Housing Appeals	(100,000.00)		(100,000.00)	0.00%
01-10-37-3202	Civil Complaint Judgments	(26,727.00)		(26,727.00)	0.00%
01-10-37-3279	Property Maintenance Fees		(3,520.00)	3,520.00	#DIV/0!
01-10-38-3207	B & T Plan Review Fee	(101,000.00)	(500.00)	(100,500.00)	0.50%
01-10-38-3224	Assessment Fee	(13,984.00)	(1,352.00)	(12,632.00)	9.67%
01-10-38-3281	Appeal Fees	(950.00)		(950.00)	0.00%
01-10-38-3622	Fines	(11,687.00)	(1,050.00)	(10,637.00)	8.98%
01-10-38-3689	Revenue Fee	(10,607.00)	(2,000.00)	(8,607.00)	18.86%
<b>Total Licenses, Permits, Fines</b>		<b>(7,333,640.00)</b>	<b>(1,154,288.60)</b>	<b>(6,179,351.40)</b>	<b>15.74%</b>
01-00-00-3447	Act 129 Rebates	(90,414.00)		(90,414.00)	0.00%
01-00-00-3448	RPA Ongoing Program Revenue	(35,000.00)		(35,000.00)	0.00%
01-00-00-3453	RAWA Act 47	(1,500,000.00)	(375,000.00)	(1,125,000.00)	25.00%
01-00-00-3510	Payment in Lieu of Taxes	(150,000.00)	(15,250.00)	(134,750.00)	10.17%
01-00-00-3520	Malt & Liquor Tax Distribution	(50,000.00)		(50,000.00)	0.00%
01-00-00-3521	Public Utility Tax Distributio	(49,000.00)		(49,000.00)	0.00%
01-00-00-3525	Act 147 of 1988	(38,000.00)		(38,000.00)	0.00%
01-00-00-3526	Snow & Ice Control	(50,000.00)		(50,000.00)	0.00%
01-00-00-3541	Reading Public Library	(620,000.00)		(620,000.00)	0.00%

01-00-00-3543	School District School Guard	(255,000.00)		(255,000.00)	0.00%
01-00-00-3550	Police Training Reimbursement	(130,000.00)	(50,379.20)	(79,620.80)	38.75%
01-00-00-3560	Pension-State Contributions	(2,800,000.00)	(12,725.70)	(2,787,274.30)	0.45%
01-00-00-3952	Meter Surcharge	(1,700,000.00)	(141,666.67)	(1,558,333.33)	8.33%
01-04-06-3554	Grants and Gifts	(80,000.00)		(80,000.00)	0.00%
01-06-13-3554	Grants and Gifts	(40,000.00)		(40,000.00)	0.00%
01-06-23-3554	Grants and Gifts	(16,087.00)		(16,087.00)	0.00%
01-07-14-3610	Fleet Maint. - Other Juris.	(40,000.00)		(40,000.00)	0.00%
01-08-31-3546	Reimb. Community Policing	(175,000.00)	(72,489.69)	(102,510.31)	41.42%
01-08-31-3554	Grants and Gifts	(33,876.00)	(6,748.06)	(27,127.94)	19.92%
01-09-32-3554	Grants and Gifts	(6,000.00)		(6,000.00)	0.00%
01-09-32-3561	Fireman Relief Assoc-Contrib.	(40,000.00)		(40,000.00)	0.00%
01-09-35-3554	Grants and Gifts		(15.00)	15.00	#DIV/0!
01-16-00-3301	Parking Authority Supplement	(810,000.00)	(67,500.00)	(742,500.00)	8.33%
01-18-91-3554	Grants and Gifts	(47,000.00)	(2,887.28)	(44,112.72)	6.14%
<b>Total Intergovernmental</b>		<b>(8,755,377.00)</b>	<b>(744,661.60)</b>	<b>(8,010,715.40)</b>	<b>8.51%</b>
01-00-00-3290	Public Health & Safety	(442,500.00)	(39,235.00)	(403,265.00)	8.87%
01-00-00-3445	Parking Auth Txt Surcharge	(190,000.00)	(15,834.00)	(174,166.00)	8.33%
01-00-00-3600	Copies of Books, Ordinanc, Etc	(500.00)	(32.90)	(467.10)	6.58%
01-00-00-3635	Fire Insurance Certification	(400.00)	(100.00)	(300.00)	25.00%
01-06-10-3288	Bank Charge Revenue	(100.00)		(100.00)	0.00%
01-06-19-3160	Admissions Fee/Tax	(510,000.00)	(72,027.02)	(437,972.98)	14.12%
01-06-21-3634	Certifications		(25.00)	25.00	#DIV/0!
01-07-14-3636	Other Department Earnings		(7,281.21)	7,281.21	#DIV/0!
01-07-24-3636	Other Department Earnings		(47.86)	47.86	#DIV/0!

01-07-71-3743	Miscellaneous	(2,000.00)	(770.00)	(1,230.00)	38.50%
01-08-29-3710	Checking Account Revenue	(15,000.00)	(2,968.25)	(12,031.75)	19.79%
01-08-31-3545	Kenhorst Police Contract	(418,581.00)	(69,763.54)	(348,817.46)	16.67%
01-08-31-3636	Other Department Earnings		(810.00)	810.00	#DIV/0!
01-08-31-3650	Police Services/Copy Service	(170,000.00)	(47,480.00)	(122,520.00)	27.93%
01-08-31-3654	Burglary/Robbery Alarm Ordinanc	(60,000.00)		(60,000.00)	0.00%
01-09-32-3620	Fire Incident Reports	(3,500.00)	(875.00)	(2,625.00)	25.00%
01-09-32-3623	False Fire Alarm Fee	(65,000.00)	(425.00)	(64,575.00)	0.65%
01-09-32-3636	Other Department Earnings	(3,500.00)	(554.83)	(2,945.17)	15.85%
01-09-35-3641	User Fees	(2,836,638.00)	(507,168.37)	(2,329,469.63)	17.88%
01-09-35-3643	Standby Revenue	(90,000.00)	(20,745.00)	(69,255.00)	23.05%
01-09-35-3671	Membership Fees	(60,000.00)	(9,270.00)	(50,730.00)	15.45%
01-10-36-3229	Work Order Fees	(17,303.00)	(3,314.14)	(13,988.86)	19.15%
01-10-36-3268	Housing Inspection	(1,311,643.00)	(145,290.99)	(1,166,352.01)	11.08%
01-10-36-3288	Misc Revenue	(500.00)		(500.00)	0.00%
01-10-37-3203	Zoning Inspector No Show	(29,000.00)		(29,000.00)	0.00%
01-10-38-3219	ROP Inspection	(14,341.00)	(3,000.00)	(11,341.00)	20.92%
<b>Total Charges for Services</b>		<b>(6,240,506.00)</b>	<b>(947,018.11)</b>	<b>(5,293,487.89)</b>	<b>15.18%</b>
01-00-00-3410	Interest on Investments		(136.52)	136.52	#DIV/0!
01-00-00-3420	Rent Other Property Buildings	(65,000.00)	(15,660.95)	(49,339.05)	24.09%
01-00-00-3421	Rental on Stadium	(22,000.00)		(22,000.00)	0.00%
01-00-00-3422	Rental on Pagoda		(200.00)	200.00	#DIV/0!
01-00-00-3766	CD Bond Interest	(26,000.00)		(26,000.00)	0.00%
01-16-00-3300	Rental - Parking Authority	(1,000,000.00)	(83,333.00)	(916,667.00)	8.33%
<b>Total Interest and Rent</b>		<b>(1,113,000.00)</b>	<b>(99,330.47)</b>	<b>(1,013,669.53)</b>	<b>8.92%</b>

01-00-00-3284	Other income	(10,000.00)	(400.00)	(9,600.00)	4.00%
01-00-00-3324	Estate of Samuel Potteiger	(2,200.00)		(2,200.00)	0.00%
01-00-00-3711	Indirect Cost Reimburse- Trash	(49,004.00)	(8,167.34)	(40,836.66)	16.67%
01-00-00-3721	Sales Property/Equipment/Suppl	(5,000.00)		(5,000.00)	0.00%
01-00-00-3730	Refund Prior Years Expense	(700.00)		(700.00)	0.00%
01-00-00-3743	Miscellaneous	(30,000.00)	(50,057.94)	20,057.94	166.86%
01-00-00-3750	Damages Recovered	(30,000.00)		(30,000.00)	0.00%
01-00-00-3751	Indirect Cost Reim.-Recycling	(254,896.00)	(42,482.66)	(212,413.34)	16.67%
01-00-00-3752	Indirect Cost Reimburse- Sewer	(1,066,442.00)	(177,740.34)	(888,701.66)	16.67%
01-00-00-3753	Indirect Cost Reimburse-CD	(282,497.00)	(47,082.84)	(235,414.16)	16.67%
01-00-00-3756	Direct Cost Reimb Code Service		(136,399.21)	136,399.21	#DIV/0!
01-00-00-3762	Pension Reimbursement	(38,000.00)		(38,000.00)	0.00%
01-00-00-3951	Indirect Cost Reim. - Water	(250,000.00)	(98,169.99)	(151,830.01)	39.27%
01-07-00-3750	Damages Recovered		(33.08)	33.08	#DIV/0!
01-07-14-3750	Damages Recovered		(13,597.82)	13,597.82	#DIV/0!
01-07-14-3977	Direct Reimb Sewer	(35,000.00)	(5,709.94)	(29,290.06)	16.31%
01-07-52-3977	Direct Reimb Sewer	(150,000.00)		(150,000.00)	0.00%
01-08-31-3613	Rdg. Housing Auth.-Reimb.	(265,000.00)	(52,397.92)	(212,602.08)	19.77%
01-08-31-3777	Heart and Lung Reimbursement	(50,000.00)		(50,000.00)	0.00%
01-09-32-3633	Fire Application Fee		(300.00)	300.00	#DIV/0!
01-09-32-3777	Heart and Lung Reimbursement	(250,000.00)		(250,000.00)	0.00%
01-09-33-3644	Delinquent Collections	(3,500.00)	(1,601.23)	(1,898.77)	45.75%
01-09-35-3619	EMS Record Report	(3,000.00)	(385.00)	(2,615.00)	12.83%
01-09-35-3644	Delinquent Collections	(10,000.00)	(955.86)	(9,044.14)	9.56%
01-10-36-3267	CDBG Revenue to Fund Codes	(500,000.00)		(500,000.00)	0.00%

01-10-38-3204	Demolition Account Collection	(5,000.00)		(5,000.00)	0.00%
01-10-38-3756	Direct Cost Reimb Trades	(170,000.00)	(26,091.07)	(143,908.93)	15.35%
01-11-11-3444	Reimb Drug Testing	(500.00)		(500.00)	0.00%
01-14-91-3905	Employee Contrib to Med insur	(1,465,845.00)	(217,443.69)	(1,248,401.31)	14.83%
<b>Total Other</b>		<b>(4,926,584.00)</b>	<b>(879,015.93)</b>	<b>(4,047,568.07)</b>	<b>17.84%</b>
01-00-00-3950	Transfer - Water Fund	(4,970,000.00)	(828,333.34)	(4,141,666.66)	16.67%
01-00-00-3954	Transfer from Sewer Fund	(3,000,000.00)	(500,000.00)	(2,500,000.00)	16.67%
<b>Total Transfers In</b>		<b>(7,970,000.00)</b>	<b>(1,328,333.34)</b>	<b>(6,641,666.66)</b>	<b>16.67%</b>
<b>Total Revenue</b>		<b>(76,932,310.00)</b>	<b>(7,402,582.68)</b>	<b>(69,529,727.32)</b>	<b>9.62%</b>

City of Reading, PA

Cash Flow Projection

February 28, 2013 Cash Balance \$  
6,605,756

March 1, 2013 through December 31, 2013 Activity:

Excess of Revenues and other Financing  
Sources Over (Under) Expenditures  
and

Other Financing Uses

\$  
298,663

January 31, 2013 Cash Balance before Adjustments \$  
6,904,419

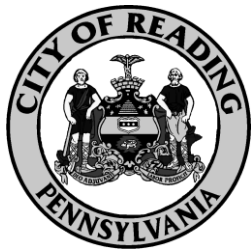
Adjustments:

Due To / Due From Balances:	Beginning to 12/31/2010	1/1/2011 to 12/31/2011	1/1/2012 to 12/31/2012	1/1/2013 to 12/31/2013
Community Development	\$ -	\$ -	\$ -	\$ -
Sewer	\$ -	\$ -	\$ -	\$ -
Recycle/Trash	\$ -	\$ -	\$ -	\$1,000,000
Self Insurance	\$ -	\$ -	\$ -	\$ -
Liquid Fuels	\$ -	\$ -	\$ -	\$ 400,000
Water	\$ -	\$ -	\$ -	\$ -
Agency	\$ -	\$ -	\$ -	\$ -
Total		\$ 1,400,000		

Other \$ -

Net Adjustments \$  
1,400,000

Estimated Decembr 31, 2013 Cash Balance	\$ 8,304,419
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CITY OF READING,  
PENNSYLVANIA

MEMORANDUM

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**TO:** City Council, David Cituk  
**FROM:** Christian F. Zale, City Controller  
**DATE:** February 22, 2013  
**SUBJECT:** Schedule of Transfers -February 2013

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The following transfers occurred in February 2013 as specified in the 2013 council approved budget:

To General Fund (01):

**Indirect Cost:** CD (32) \$23,541.42; Sewer (54) \$88,870.17; Recycling (56) \$21,241.33; Trash (56) \$4,083.67; Water (50) \$20,833.33

**Transfers:** Sewer (54) \$250,000.00; Water (50) \$414,166.67  
Water RAWA Act 47: \$125,000.00

**Meter Surcharges:** Water (50) \$141,666.67

To Water Fund (50):

Meter Reading Cost: Sewer (54) \$15,000.00; Billing Cost: Sewer (54) \$25,000.00  
RAWA Lease Agreement: From RAWA \$724,789.00

To Self Insurance (52):

Sewer (54) \$47,630.67; Water (50) \$8,200.67; General (01) \$219,665.33; Recycle \$7,008.67

**Corrections:**

None

**Additional Transfers:**

None

**Other Transfers:**

None

These transfers are reflected in February trial balance. Also, the related cash has been transferred among the various funds; thus, no impact in the DT/DF accounts. This activity has been confirmed by the City Auditor.





**City of Reading, PA**

**2013 Contingency**

<b>Budget</b>	<b>980,615</b>
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**Added savings:**

Open	0
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Open	0
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Total added savings	0
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<b>Adjusted Contingency</b>	<b>980,615</b>
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**Usage:**

Open	0
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Open	0
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Open	0
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Open	0
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Open	0
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<b>Total usage</b>	<b>0</b>
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<b>Remaining</b>	<b>980,615</b>
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## City of Reading Community Development

3/13/2013	Allocated	Estimated/	Spent/Drawndown		%	Project	
<b><u>YEAR</u></b>	per Action Plan	Encumbered	in IDIS	Unspent	Complete	Code	
			(PR05)				
<b><u>2010 CDBG</u></b>							
BPRC / RRA	169,000.00	169,000.00	26,297.01	142,702.99	16%	32-10-01-04	
Fire Station Improvements	168,640.00	168,640.00	80,346.87	88,293.13	48%	32-10-88	
<b>TOTAL</b>	<b>337,640.00</b>	<b>337,640.00</b>	<b>106,643.88</b>	<b>230,996.12</b>	32%		
<b><u>2011 CDBG</u></b>							
Library Improvements	150,000.00	150,000.00	22,573.38	127,426.62	15%		
Olivet's Boys & Girls Clinton St Pool	88,000.00	88,000.00	82,959.63	5,040.37	94%	32-10-57-03	
Schlegel Park Pool Improvements	274,000.00	274,000.00	197,818.81	76,181.19	72%	32-10-01-05	
11th and Pike Playground Improvements	212,080.00	212,080.00	83,612.48	128,467.52	39%	32-10-21	
Facade Improvements – Commercial	50,000.00	50,000.00		50,000.00	0%	32-10-33	
Liberty Fire Station	26,000.00	26,000.00	4,191.84	21,808.16	16%	32-10-88	
Reading Iron Playground Improvements	141,000.00	141,000.00	107,107.00	33,893.00	76%	32-10-38-02	
Facade Improvements – Residential	35,000.00	35,000.00	16,894.90	18,105.10	48%	32-10-10	
<b>TOTAL</b>	<b>976,080.00</b>	<b>976,080.00</b>	<b>515,158.04</b>	<b>460,921.96</b>	53%		
<b><u>2012 CDBG</u></b>							
Commercial Façade	20,000.00	20,000.00	-	20,000.00	0%	32-10-08	
Lance Place Playground	91,000.00		58,997.24		65%	32-10-03-03	

		91,000.00		32,002.76			
NHS Major System Rehab	75,000.00	75,000.00	-	75,000.00	0%	32-10-42	
Reading Public Library Main	111,039.42	111,039.42	-	111,039.42	0%	32-10-46	
<b>TOTAL</b>	<b>297,039.42</b>	<b>297,039.42</b>	<b>58,997.24</b>	<b>238,042.18</b>	20%		
<b>2013 CDBG</b>	<b>**</b>						
11th & Pike Playground	<b>2013</b>	-					
Abe Lincoln Sect 108 repmt	<b>Action Plan not</b>	-					
CDBG Admin	<b>passed by</b>	1,000.00	353.65				
Codes-PMI	<b>Congress to date</b>	125,000.00	50,958.93				
Codes-Trades	<b>Funds being</b>	13,158.47	13,158.47				
Community Policing	<b>borrowed from</b>	32,571.68	32,571.68				
Emergency Demos	<b>prior years</b>	-					
Fire Prevention	<b>unused funds</b>	-					
HRC-Fair Housing	<b>**</b>	-					
HRC-Homelessness Prevention		-					
HRC-Landlord/Tenant Mediation		-					
Keffer Park Improvements		-					
BCTV		-					
<b>HESG</b>							
Emergency Shelter Grant Admin	15,955.00	15,955.00	6,483.43	9,471.57	41%	32-10-85	
ESG11 Homeless Prevention	65,431.00	65,431.00	9,620.00	55,811.00	15%	32-10-02-01	
ESG11 Data Collection (HMIS)	10,000.00	10,000.00	-	10,000.00	0%		
ESG11 Shelter	121,352.00	121,352.00	114,292.00	7,060.00	94%		
<b>TOTAL</b>	<b>212,738.00</b>	<b>212,738.00</b>	<b>130,395.43</b>	82,342.57	61%		

<b><u>2012 HESG</u></b>							
ESG12 HMIS	\$0.00	\$0.00	-	\$0.00	#DIV/0!		
ESG12 Homeless Prevention	\$97,145.00	\$97,145.00	7,687.39	\$89,457.61	8%		
ESG12 Shelter	\$122,503.00	\$122,503.00	60,198.63	\$62,304.37	49%		
ESG12 Street Outreach	\$5,000.00	\$5,000.00	374.99	\$4,625.01	7%		
ESG12 Admin	\$18,215.00	\$18,215.00	7,632.44	\$10,582.56	42%		
<b>TOTAL</b>	<b>242,863.00</b>	<b>242,863.00</b>	<b>75,893.45</b>	\$166,969.55	31%		
<b><u>Other Accounts</u></b>	<b>Balances</b>	<b>Deposit</b>	<b>Interest</b>	<b>Balances</b>			
<b>EZ FRED</b>	9,880.39			9,880.39			
<b>HOME PROG INC</b>	376.91			376.91			
<b>CDBG PROG INC</b>	19,125.05			19,125.05			
<b>UDAG</b>	89,462.93			89,462.93			
<b>SECT 108</b>	1,699,567.11			1,699,567.11			
<b>STATE OF PA - CIDC (Microloan Prog)</b>	223,233.17			223,233.17			
<b>FAMILY BUSINESS PROGRAM</b>	572,647.14			572,647.14			
<b>NSP2 PROG INC*</b>	38,018.41			38,018.41			
<b>TOTAL CDBG EN BALANCE(2/15/2013)</b>	1,508,964.49	from PR01					
<b>TOTAL CDBG PI BALANCE (2/15/2013)</b>	-	from PR01					

<b>CDBG Funds To Be Spent</b>							
Line of Credit	1,508,964.49						
<b>CDBG 2012 Timeliness Test</b>							
**Timeliness Test Amount	2,263,446.74						
Line of Credit	1,508,964.49						
Over/(under Cap)	(\$754,482.25)						

HOME program reconciliation							1/15/2013
Program Year	Grant Balance (PR 27 )	Admin Balance (PR 27 )	OCR Balance (PR 02 )	NHS Balance (PR02)	HfH Balance (PR02)	Unprogrammed	
2010	\$42,881.38	\$42,881.38	\$ 35,232.39	\$ (10,581.72)		(24,650.67)	
2011	\$616,163.35	\$94,350.80	\$ 98,744.71	\$ 157,839.51	\$ 238,196.39	27,031.94	
2012	\$ 698,011.00	\$ 69,801.10	\$ 428,209.90	\$ 105,000.00	\$ 95,000.00	-	
Current	\$ 1,357,055.73	\$ 207,033.28	\$ 562,187.00	\$ 252,257.79	\$ 333,196.39	2,381.27	